REMARKS

Claims 1-27 are pending in the application and the same are rejected. By this Amendment, claims 1-4, 6, 8, 11, 13, 14, 16, 20, 22, and 24-26 are amended. Accordingly, claims 1-27 remain in the application and are presented for review and further consideration by the Examiner.

The Examiner has rejected claims 1-27 under 35 U.S.C. §103(a) as being unpatentable over Boardman et al., U.S. Patent No. 6,456,986, in view of Hirst et al., U.S. Patent No. 5,930,553. (Examiner's Action, page 2).

Applicant respectfully disagrees.

Boardman discloses a system for selecting and executing price plans to rate an event. A plan selection rule set is used to select a price plan for the event and an algorithm rule set is used to select an algorithm to rate the event. The algorithms include calculations to be performed for a price plan and a related rate structure. The rate structure may include the cost per minute for particular types of telephone calls. Neither the rate structure nor the pricing plan is based on historical usage. Boardman does not disclose determining a price based on historical usage.

Hirst discloses a memory device for use on a replaceable component. Historical usage of a device may be recorded on the replaceable component. However, Hirst does not disclose determining a price based on the historical usage. Since neither Hirst nor Boardman discloses determining a price based on historical usage, they also do not do so in combination.

Applicant has amended independent claims 1, 16, and 24 to more clearly state that that the price of the replaceable component is based on the historical (i.e. previously determined) printing device usage and not merely on a price per increment of usage basis. Neither Boardman nor Hirst disclose this limitation.

Furthermore, Boardman does not disclose determining a price for a replaceable component of a device based on the usage of the device by the customer. The Examiner suggests that the disclosure in Boardman, that the

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are billed for transactions that can be represented as events, is a disclosure of

determining a price for a replaceable component of a device based on the usage

of the device by the customer. The Examiner is overlooking or discounting the

relationship between where the usage data is coming from and what is being

priced. The device for which the usage data is determined is not the component

being priced. A mere statement about the applicability of a pricing concept to

any type of transaction is not a disclosure of setting a price for one thing by

examining the usage of another.

In contrast, Applicant's independent claims 1, 16, and 24 include wording

that the price of the replaceable component is based on the printing device

usage. That is, usage of the thing for which the price is determined is not used

to determine the price. Instead, usage of the device, for which the thing is a

replaceable component, is used to determine the price. Neither Boardman nor

Hirst disclose this limitation.

In view of Applicant's arguments and amendments with respect to

independent claims 1, 16, and 24 being allowable, Applicant respectfully submits

that the remaining dependent claims are also allowable because they contain all

of the limitations of their respective independent claims and further add structural

and functional limitations.

The foregoing arguments and amendments are believed to be a complete

response to the most recent Examiner's Action.

No new matter has been added.

It is respectfully submitted that there is no claim, teaching, motivation, or

suggestion in any of the cited art, alone or in combination, to produce what

Applicant claims.

It is further submitted that the application, as amended, defines patentable

subject matter and that the claims are in a condition for allowance. Such

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allowance at an early date is respectfully requested.

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Response C

Should any issues remain which would preclude the prompt disposition of this case, it is requested that the Examiner contact the undersigned practitioner by telephone.

Respectfully submitted, Margo N. Whale

Mark G. Pannell

Reg. No. 40,761

Date <u>10/25/2004</u> (719) 260-7900

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